

11 March 1954

noted
RAF
Clegg

MEMORANDUM FOR DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Notes on NSC Meeting 11 March 1954

DCI

Read quotes from Bulganin and Voroshilov speeches -- latter at Admiral Strauss' suggestion since it referred to economic uses of atomic energy in the USSR.

Decision of the Central Committee of CPSU -- 2 March on Agriculture -- Soviets also having their troubles with agriculture -- problem is not enough -- particularly in grain crops. Up 'till recently, had been calculating crops on basis of what was standing in the fields -- not accounting for losses in thievery, bad harvesting and weather. Now calculating what is in the barn -- and are shocked to discover how much less it is.

(Read from Decision re assignment of technical and agricultural personnel to MTS and re serious failures in tractor production) tractors a serious bottleneck -- mentioned efforts to cultivate 30 million acres of marginal land with 100,000 youth from cities.

Failures in grain production resulted in decline in grain exports -- particularly to UK -- great Soviet efforts to improve situation. Decision of 2nd of March a very significant and revealing document on a crucial Soviet problem.

Indochina -- Viet Minh 308th Division has pulled back to around Dien Bien Phu -- but French garrison at Luang Prabang could be flown in to bolster French at Dien Bien Phu. Most serious threat is in the Delta where Viet Minh have skillfully infiltrated and at Hanoi blew up 10 transports, and at Haiphong, 4 B-26's and 10 liaison aircraft, obviously trying to create an incident involving U.S. airmen at fields.

We have a French estimate of Communist tactics which may be followed at Geneva:

- They will probably claim that only the Viet Minh represent the Vietnamese -- to embarrass the French if they don't bring Vietnamese to the conference.

- They will probably call for elections right after a ceasefire -- this is one area where the Communists probably feel they can win an election.
- They will maneuver to put the blame for any failure of the conference on the U.S.

French expect that if the Geneva Conference fails, the war in Indochina will be intensified -- Communist aid to the Viet Minh will be increased.

Italy -- Premier Scelba has won a narrow margin of 17 votes in a vote of confidence establishing his government -- a very delicate government -- a shift of 9 votes would wreck it -- but on the other hand, it could last a long time. Scelba has been a vigorous opponent of the Communists, but because of the slim majority of his government, he may not be able to proceed as vigorously in the future.

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